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SPECIAL INSTRUCTIONS:

TO SCO 15WHITE HOUSE
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THE WHITE HOUSE

WASHINGTON

August 11, 1975

TO: DONALD RUMSFELD
VAIL

FROM: JIM CONNOR

The attached memo to the President from Dunlop has been copied to Bill Seidman and Jim Lynn. You may wish to give a copy to Alan Greenspan out there.

Attachment:
Dunlop memo re
Interruption of Grain Shipments to the Soviet Union
and Maritime Policy

U. S. DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

WASHINGTON

August 11, 1975

MEMORANDUM FOR THE PRESIDENT

Subject: Interruption of Grain Shipments to the Soviet Union and
Maritime Policy

This memorandum summarizes the information and suggestion which I made to you on Saturday morning after the 8:15 meeting, in the presence of Secretary Kissinger, Rumsfeld and Seidman. It also contains some further comments.

Just before the close of the Cabinet meeting on Friday, August 8, Secretary Kissinger asked me to meet him in his office, and asked my recommendation with respect to what steps should be taken in view of the interruption of the grain shipments by the International Longshoremen's Association at Beaumont, Texas. I indicated that I would like to talk to Mr. Meany and to Mr. Hall, and respond to the question Saturday morning.

Mr. Meany indicated that he had no particular interest in speaking to the President at this time, that the maritime unions and the Federation had taken a position, and it was someone else's move. He did not wish to give me any advice, but it was appropriate to talk to Paul Hall or other maritime leaders whom I know well.

Paul Hall indicated to me that he would, of course, always be pleased to meet with the President. He felt that it was essential to a useful talk for him to meet first with other maritime leaders, such as Jesse Calhoun and Teddy Gleason. So, from a practical point of view, a fruitful meeting could only be held toward the latter part of the week of August 11.

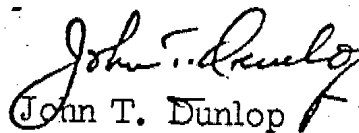
Mr. Hall indicated to me that his interests were the same as they had always been, an active and vital maritime program and policy for the U. S. government, including the building of ships, manning new vessels, and an expansion of tonnage carried by U. S. personnel; that others in the Federation might well have more fundamental concerns with detente but his interest was that of sailors and the maritime industry.

I recommended at the Saturday morning meeting with you that you call Mr. Hall early in the week to arrange a session some time later in the week.

I also indicated that, in my view, it was very important to lay the precise numbers of our crop estimates, and the Soviet Union crop estimates and information on proposed purchases, on the table to some appropriate group of top labor leaders so that suspicion could be eliminated.

Further Comments

1. It seems that the refusal to handle grain is likely to be confined to the new crop sales, given a little more time to review the situation. This matter should be explored with Hall.
2. The ad hoc committee of the maritime unions and Mr. Meany are meeting in Washington on Monday, August 18. It is my recommendation that Mr. Hall meet with the President before this meeting, or it is possible that a more firm and hostile position might be taken.
3. There is some problem of the security and the place of this meeting with Paul Hall because of the President's schedule. I am not certain that Paul Hall is all that anxious to go to Colorado, and it would be difficult to hide. This matter should be discussed with Paul Hall.
4. It occurred to me that someone in the group of Presidential advisors should be thinking hard on what are acceptable limits of a "vital and vigorous" maritime policy designed to enhance the maritime industry and its employment. What is policy to be with regard to oil cargo preference and any variant?


John T. Dunlop